### REMARKS

Applicant respectfully requests reconsideration of this application in view of the foregoing amendment and following remarks.

# Status of the Claims

Claims 1-10 are pending in this application, and stand rejected. By this amendment, claims 1-5 are amended correcting formalities. No new matter has been introduced by this amendment.

# Rejections under 35 U.S.C. §§102 and 103

Claims 1, 3, 6, 7 and 9 have been rejected under 35 U.S.C. §102(b) as allegedly being anticipated by U.S. Patent No. 5,615,280 to Izawa ("Izawa"). Claims 2, 4, and 8 have been rejected under 35 U.S.C. §103(a) as allegedly being unpatentable over the combination of Izawa and U.S. Patent No. 5,680,472 to Conant ("Conant"). Claim 5 has been rejected under 35 U.S.C. §103(a) as allegedly being unpatentable over the combination of Izawa, Conant and U.S. Patent No. 5,091,968 to Higgens ("Higgens"). Claim 10 has been rejected under 35 U.S.C. §103(a) as allegedly being unpatentable over the combination of Izawa and Higgens.

The present invention is directed to a method and an apparatus for counting currency notes. One of the aspects of the present invention as featured in, e.g., claims 1 and 6 "recognizes" denomination of the currency note by "scanning" the entire image of the currency note, and "extracts" the image of serial number region from the entire image. Claims 1 and 6 have been amended to further clarify this aspect of invention discussed herein.

With the features of the present invention discussed above, many advantages can be obtained. For example, there is no need to use a separate sensor to recognize denomination of

the currency note. Moreover, since the entire image of the currency note is read all at once, it is not necessary to reduce the transfer speed of the currency note near the serial number region. As a result, it is not necessary to implement an extra feature to reduce the transfer speed of the currency note in this invention.

Izawa discloses an apparatus configured to convert symbols on the bill into electric signals using an image sensor while the bill is passing through a passageway. The Office Action indicates that Izawa discloses each and every element of claims 1 and 6 including the above explained aspect of the present invention, i.e., "recognizes" denomination of the currency note by "scanning" the entire image of the currency note, and "extracts" the image of serial number region from the entire image. The Office Action cites, *inter alia*, col. 3, line 54 - col. 4, line 15, figure 6, col. 6, lines 20-24 of Izawa.

As Applicant understands it, however, there is nothing in Izawa including the cited portions by the Examiner that teaches recognizing the denomination of the currency note by scanning the entire image of the currency note, and extracts the image of serial number region from the entire image as required by claims 1 and 6 of the present invention. It appears that the validator means of Izawa directly "reads" denomination of the bill from output signals of the validator sensor 16 to automatically decide positions of the symbols. See, e.g., col. 4, lines 9-14 of Izawa. Izawa further teaches that the whole area of the symbols are "read" under the control of the read controller means 20. See, e.g., col. 6, lines 8-20 of Izawa. In contrast, the present invention "recognizes" denomination of the currency note by "scanning" the entire image of the currency note, and "extracts" the image of serial number region from the entire image.

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Conant is cited as disclosing skew correction. Higgens is cited as disclosing converting image data into binary. However, none of Conant and Higgens shows or suggests the above aspect of the present invention, e.g., scanning and extracting.

Accordingly, each of claims 1 and 6 as amended is believed neither anticipated by nor rendered obvious in view of the cited references (i.e., Izawa, Conant and Higgens), either taken alone or in combination, for at least the reasons discussed above.

Reconsideration and withdrawal of the rejections of claims 1 and 6 under 35 U.S.C. §102(b) is respectfully requested.

Applicant has not individually addressed the rejections of the dependent claims because Applicant submits that the independent claims from which they respectively depend are in condition for allowance as set forth above. Applicant however reserves the right to address such rejections of the dependent claims should such be necessary.

Applicant believes that the application as amended is in condition for allowance and such action is respectfully requested.

# AUTHORIZATION

A petition for a two-month extension of time along with the associated fee is enclosed, extending the date for responding until September 13, 2007. Should an additional extension of time be required to render this paper timely filed, such extension is hereby petitioned and the Commissioner is authorized to charge any other fees necessitated by this Amendment, or credit any overpayment to our Deposit Account No. 13-4500 (Order No. 4251-4020). A DUPLICATE COPY OF THIS SHEET IS ENCLOSED.

An early and favorable examination on the merits is respectfully requested.

By:

Respectfully submitted, MORGAN & FINNEGAN, L.L.P.

Dated: September 13, 2007

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